

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: PUBLIC WORKS - PARKS, RECREATION & RAILROAD

DATE: FEBRUARY 12, 2009

COMMITTEE MEMBERS PRESENT:

SUPERVISORS BELDEN
BENTLEY
STEC
MERLINO
CHAMPAGNE
TAYLOR
GOODSPEED
PITKIN

OTHERS PRESENT:

WILLIAM LAMY, SUPERINTENDENT OF PUBLIC WORKS
PAUL BUTLER, DIRECTOR - PARKS, RECREATION & RAILROAD
TIM BENWAY, RECREATION FACILITIES MANGER
PAUL DUSEK, COUNTY ATTORNEY
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISORS GERAGHTY
STRAINER
THOMAS

COMMITTEE MEMBER ABSENT:

SUPERVISOR TESSIER

WAYNE LAMOTHE, DEPUTY DIRECTOR OF PLANNING & COMMUNITY
DEVELOPMENT
JULIE PACYNA, PURCHASING AGENT
BUD YORK, SHERIFF
JOHN LEMERY, LEGAL COUNSEL FOR THE TOWN OF CORINTH
STEVE FISK, CANADIAN PACIFIC RAIL
COLLEEN DEMARSH, HADLEY TOWN BOARD MEMBER
ARTHUR WRIGHT, SUPERVISOR FOR THE TOWN OF HADLEY
JOANNE SMITH, RESIDENT & BUSINESS OWNER - TOWN OF NORTH CREEK
THOM RANDALL, *THE ADIRONDACK JOURNAL*
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST

Mr. Belden called the meeting of the Public Works Committee to order at 9:35 a.m.

Privilege of the floor was extended to Paul Butler, Director of Parks, Recreation & Railroad, who distributed copies of the meeting agenda, a copy of which is on file with the minutes.

Commencing the review with Agenda Item 1, Mr. Butler presented a request for a partnership agreement between the Glens Falls City School District and the Up Yonda Environmental Education Center for the 21st Century Community Learning Centers Program for a five-year term. He noted that a similar agreement had been previously authorized by Resolution No. 618 of 2004 for the 2004-2009 term. Mr. Butler advised that this was a new opportunity for Up Yonda which required an agreement as part of the application process for funding. He added that once the agreement was in place they would be able to apply for the grant funding, which the Glens Falls City School District estimated would be in the range of \$30,000 annually.

Motion was made by Mr. Bentley, seconded by Mr. Merlino and carried unanimously to approve the request for an agreement between the Glens Falls City School District and the Up Yonda Environmental Education Center as outlined above and the necessary resolution was authorized for the February 20th Board meeting. *A copy of the request is on file with the minutes.*

Mr. Butler advised that Agenda Item 2 consisted of a request for a resolution to accept program supplies from the Glens Falls City School District 21st Century Community Learning Centers grant. He noted that the resolution request included a listing of the items that would be obtained from the School District which totaled \$1,531.36.

Mr. Champagne questioned if there were other schools participating in the 21st Century Community Learning Centers grant program and Mr. Butler replied affirmatively. He added that they were working with the Warrensburg School District to gain grant funding through the Project Save Program and were canvassing other area school districts to determine whether additional sources for grant funding were available.

Motion was made by Mr. Champagne, seconded by Mr. Pitkin and carried unanimously to approve the request as outlined above and the necessary resolution was authorized for the February 20th Board meeting. *A copy of the request is on file with the minutes.*

William Lamy, Superintendent of Public Works, apprised that Agenda Item 3 pertained to a request to rescind Resolution No. 913 of 2008 which awarded Bid No. WC 108-08, "Fire Suppression Inspection and Services for the Fueling Facilities Located Throughout Warren County" to Environmental & Fueling Systems. He explained that Environmental & Fueling Systems failed to provide the necessary certifications and documentation based on the Bid specifications, rendering them unqualified to provide the services required. Mr. Lamy then requested that the Bid be awarded to the second lowest bidder, Northeast Petroleum Technologies, Inc., who was properly certified to provide the necessary services.

Motion was made by Mr. Champagne, seconded by Mr. Goodspeed and carried unanimously to rescind Resolution No. 913 of 2008 which awarded Bid No. WC 108-08, "Fire Suppression Inspection and Services for the Fueling Facilities Located Throughout Warren County", to Environmental & Fueling Systems and to award the Bid to the second lowest bidder, Northeast Petroleum Technologies, Inc., and the necessary resolution was authorized for the February 20th Board meeting. *A copy of the request is on file with the minutes.*

Continuing to Agenda Item 4, Mr. Lamy presented a request for a new contract with Highway Rehabilitation Corp. for hot in-place pavement recycling for the term commencing February 20, 2009 and terminating December 31, 2009. He said that if CHIPS (Consolidated Highway Improvement Project) funding was received for the construction season, there were a few sections of road on which they would consider using this application if they could demonstrate that it would save money for the County while providing a good wearing surface.

Motion was made by Mr. Taylor, seconded by Mr. Bentley and carried unanimously to approve the request for a new contract with Highway Rehabilitation Corp. as outlined above and the necessary resolution was authorized for the February 20th Board meeting. *A copy of the request is on file with the minutes.*

Mr. Lamy stated that Agenda Item 5 consisted of a request to authorize out-of-State travel for a member of his staff, Greg Bolton, to attend the Road Institute Paving and Compaction Application Seminar in Chambersburg, PA on February 25th - 28th. He advised that due to the retirement of a longstanding County employee, Mr. Bolton had assumed the title of Paving Foreman and this course would be beneficial to his position. Mr. Lamy said that the course cost was \$500 and was available within the existing Budget. He added that the most cost effective travel arrangement would be to orchestrate the use of a County fleet vehicle to travel to and from the Seminar, allowing for overnight accommodations as necessary.

Motion was made by Mr. Bentley, seconded by Mr. Pitkin and carried unanimously to approve the request for out-of-State travel as outlined above and the necessary resolution was authorized for the February 20th Board meeting. *A copy of the Authorization to Attend Meeting or Convention form is on file with the minutes.*

Concluding the agenda review, Mr. Butler advised that the main focus for the meeting had been to discuss matters relating to the development of an RFP (Request for Proposal) for the 2011 Railroad Operator's Contract. He stated

that John Lemery, Legal Counsel for the Town of Corinth, had previously suggested that the County and the Town of Corinth work together in developing the RFP as their respective rail lines would eventually be controlled by the Authority they were attempting to develop. Mr. Butler noted that Mr. Lemery had been working with Paul Dusek, County Attorney, on these issues and that both were in attendance to address the matter.

Mr. Dusek said it was his understanding that the desire for a joint RFP between the County and the Town of Corinth was based on their future plans to have trains running from the Town of North Creek to the City of Saratoga Springs utilizing the rail lines owned by both municipalities. He said that there was an arrangement with the current operator, Upper Hudson River Railroad (UHRR), that allowed occasional runs to the Town of Corinth, but these runs would be elaborated in the schedule once all of the train stations were operational and one operator had been chosen to serve both rail lines. Mr. Dusek suggested that the best way to develop the RFP would be to use the contract the County had in place currently, modifying it to include the runs they wanted and the types of payment expected. He added that the RFP would also indicate that the contract would be held by both the Town of Corinth and Warren County, thereby allowing a separation in the agreement so that the operator would have an obligation to answer to both entities and preserve the rights of both groups. Mr. Dusek said they would have to determine how the railroad's earnings would be divided and would also need an inter-municipal agreement between the two entities. He stated that Mr. Lemery had drafted an inter-municipal agreement which noted that a joint RFP would be developed and he felt a provision should be added to indicate that Warren County's policies would be followed in this process. Mr. Dusek noted that this was the first Committee meeting on the subject and there were many issues to be addressed.

Mr. Lemery said that although it might be premature to issue an RFP, he and Mr. Dusek had been working on the railroad issue for a long time in an effort to determine if an Authority could be developed to operate the railway. He added that in lieu of an Authority, they had considered developing a not-for-profit corporation that could manage the railroad if an Authority was not approved. Mr. Lemery said he and Mr. Dusek had drafted several documents, including Authority legislation and documents leading to the formation of a not-for-profit organization under the Department of Education so that education grant funding could be accessed if museums were ever set up along the line. He added that these documents had not been progressed due to the occurrence of unforeseen events, specifically a washout along the Town of Corinth's railway which had required the use of funds previously designated to upgrade the tracks to allow for 40 m.p.h. service to repair them. Mr. Lemery said that the Town of Corinth had been advised that \$1 million in State funding had been awarded for the upgrades to the tracks; however, he said, those funds had yet to be provided by the State and were being held in the State Comptroller's Office. He noted that they continued to contact the Comptroller's Office frequently with respect to the grant funds but had yet to receive any notification as to when they would be received. In addition, Mr. Lemery apprised that the Town of Corinth had been researching the availability of grant funds for this work through the Economic Stimulus package presented by President Obama. He said that they might qualify for some of these funds as jobs would be created through the improvements to the tracks and ultimately from its operation when complete. Mr. Lemery stated that his understanding was that the intent of the meeting had been to develop an agreement between the Town of Corinth and the County that the RFP would be issued jointly and to determine how the railroad would eventually be operated jointly between the Municipalities.

Mr. Stec entered the meeting at 9:44 a.m.

Mr. Lemery then cited an insurance issue which might arise as CPR (Canadian Pacific Railroad) required that a \$20 million liability insurance policy be carried by the Operator as they would have to cross a portion of their rail line to reach the City of Saratoga Springs' Railstation. He said he assumed that it would be the desire of both Municipalities to have this coverage in place due to CPR's adamant stance that sufficient insurance coverage was

required to use their line. Mr. Lemery concluded that the Town of Corinth was confident that they could find the money to appropriately upgrade their rail line to allow for passenger traffic and they desired to continue with the process to develop and issue a joint RFP.

Mr. Champagne asked Mr. Dusek if he foresaw the rail line eventually being controlled by an entity other than the Town of Corinth or the County and Mr. Dusek replied affirmatively. He added that his recommendation had continuously been that an Authority should be developed to run the rail line as it would be extremely complex to have it operated and controlled by two separate municipalities, not to mention the liability and insurance issues that would arise. Mr. Dusek noted that two other issues causing difficulties in developing the Authority would be that they would have to gain the approval of every school district and municipality on the Authority because they would be losing tax revenues due to the fact that the Authority would be tax exempt. He said he did not feel that this should be an insurmountable task as each entity would benefit from the revenues and tourism generated by the railroad. Secondly, Mr. Dusek cited that there were issues with determining how the expenses of the Authority would be funded as these costs were currently assumed by the County and Town of Corinth. He stated that research and discussion would be required in order to work through these issues and he estimated that it would take the balance of the year to get these issues in order and develop an agreement that was amenable to all involved parties, enabling the presentation of the Authority to the State Legislature for approval in January of 2010. Mr. Dusek added that this time line would work well in terms of their plans for the Railroad Operator RFP as the Authority and the Railroad Operator contract would begin simultaneously. He apprised that before they could proceed with these plans, they needed to develop the RFP for the 2011 Railroad Operator contract and it was in everyone's best interest to work together in bringing it to fruition as both Warren County and the Town of Corinth were interested in expanding the train service over the others rail line.

As Mr. Lemery previously pointed out, Mr. Dusek stated that there was a problem with upgrading the Town of Corinth's tracks to allow for travel at an increased speed and he suggested that the RFP be written to allow for varying possibilities as there could be other entities involved and to include provisions for fee sharing as well. He said that he did not expect to revise these issues during the current meeting as he did not feel that the large Committee setting was conducive to revising these issues. Mr. Dusek suggested that a smaller working group be developed which could meet frequently to research and discuss these issues further prior to presenting them to the Committee for their ultimate approval. He stated that the purpose of the current meeting had been to determine if the Committee was interested in developing an RFP jointly with the Town of Corinth and also to seek approval for the development of the smaller working group to proceed in ironing out all the details necessary to advance the RFP. Mr. Dusek reminded the Committee that the previous RFP process had taken approximately eight months from start to finish and it was pertinent that they begin the process as quickly as possible in order to award the contract in a timely fashion.

Mr. Butler apprised that his anticipated timetable for advancing the RFP would include finalization of the RFP by March 3rd, release and advertisement of the RFP by May 1st and the bid opening to be held on June 4th, all in order to award the bid in September or October. He stated that there was a lot to do before awarding the bid including interviews that had to be held for all respondents. Mr. Dusek noted that although the time line was very aggressive, the deadlines could be moved as necessary. He added it was important to remember that each time the deadlines were moved back it decreased the amount of time they had to meet their ultimate deadline of awarding the contract; therefore, he said, they had developed a very aggressive time line to allow for any delays that might arise. Mr. Dusek said that their desire was to award the contract as quickly as possible to give the Operator sufficient time to advertise events and to get their equipment in order prior to beginning their contract term.

Mr. Belden questioned when the current Railroad Operator contract expired and Mr. Butler replied that it would

terminate on December 31, 2010.

Mr. Merlino noted that Colleen DeMarsh, Hadley Town Board member, and Arthur Wright, Supervisor for the Town of Hadley, were in attendance; he added that both were heavily involved with the Hadley Rail Station. Mr. Merlino then advised that because the Hadley Station would be complete for the spring season, discussion with UHRR was necessary to add regular runs to Hadley, as well as to Corinth.

Mr. Goodspeed noted that in prior years a working group had been in place to discuss matters relative to the railroad and he suggested that the group be revived for this matter.

Discussion ensued.

Steve Fisk, of CPR, said he had been asked to attend the meeting in an effort to guide the Committee in the RFP process. He stated his opinion that the RFP should be for a sole Operator in order to attract the best possible entity for the Contract. Mr. Fisk noted that if the RFP eluded to the possibility of using more than one Operator there would be issues with splitting revenue which might deter more efficient entities from responding. He apprised that other Municipalities around the State and Country had developed similar RFP's which could be reviewed and used as a template for developing the County and Town of Corinth's version. In addition, Mr. Fisk suggested that other operation issues be discussed and included in the RFP, such as machinery and insurance needs for both the current term and in the future. He concluded that he was a Warren County resident in favor of seeing expanded train travel realized and was willing to counsel the Committee and the working group as needed to assist in developing an RFP that would appropriately suit the needs of everyone involved.

Mr. Goodspeed asked Mr. Fisk to address the challenges faced with traveling to the Saratoga Springs Train Station and Mr. Fisk apprised that the greatest challenge would be when and how often they would desire to travel to that destination as there were certain times when that portion of the track was used for freight activity. He said CPR owned a portion of the tracks between the Town of Corinth's line and the Saratoga Springs Station and they required certain qualifications of the Operators traveling their line, such as federal licensing, random drug and alcohol testing and appropriate train equipment. Mr. Fisk further noted that he did not feel there was sufficient time in the day to run the train from the North Creek Station all the way to the Saratoga Springs Station with stops at every Station in between. He said that they would have to develop extensive scheduling that would reflect what stops would be made and when, to reach all of the stops along the line. Referring to the equipment used on the CPR line, Mr. Fisk advised that they required engines and cars to be in appropriate working condition and did not allow for antique equipment to be used on their rails. He added that the Operator would have to comply with all current rules and regulations in order to use the CPR rail line.

Mr. Fisk stated that sufficient opportunity should be given to all entities responding to the RFP allowing them to review the rules and regulations included in the RFP, as well as to personally view the tracks themselves and the attractions in each Town to appropriately determine the viability of what was offered by the RFP.

Mr. Pitkin questioned if the County's current Operator, UHRR, was qualified to run on the CPR rail line. Mr. Fisk replied that his company was familiar with UHRR and would allow them to use the line if they requested permission but would require that one of their own conductors and pilot teams bring the train into the Saratoga Station as was required by their regular business arrangement.

Mr. Taylor questioned whether it made sense to proceed in developing a joint RFP with the Town of Corinth in light of the fact that it was unknown whether the money would become available to upgrade their tracks as was necessary

for passenger traffic and due to Warren County's inability to fund any further rail improvements. Mr. Dusek stated that the goals of both Municipalities were the same, which made the joint RFP sensible. He added that the track upgrades would be funded solely by the Town of Corinth with no cost to the County which alleviated that concern.

Mr. Champagne suggested that a financial analysis be developed to determine the financial impact of the expanded train service, as well as the costs associated, and to determine the best possible business strategy prior to proceeding with the joint RFP. Mr. Dusek stated that although he was very much in favor of this suggestion, the budget for the project thus far had been very small and there were no funds available currently for such a review.

In response to a comment that Saratoga County had thus far declined to become involved with the expansion of the rail line, Mr. Wright stated that if Saratoga County representatives were presented with a business plan similar to that which Mr. Champagne had suggested they might be interested in participating. He added that it his feeling, as well as that of his fellow Saratoga County Board of Supervisor members, that they were unwilling to become partners in a venture when it was unknown what the financial outcome might be. Mr. Wright further noted that the SEDC (Saratoga County Economic Development Corporation) might also like to participate in the project, if they had some idea of what they were committing themselves to.

Mr. Lemery noted that in the past a study had been completed through the First Wilderness Heritage Corridor which included demographics for train service from North Creek to Saratoga Springs that might be used as a starting point for developing the financial information sought. He added that the Town of Corinth's resources were very limited and they did not have the funds necessary to hire a consultant for this review. Mr. Lemery reminded the Committee that the Town of Corinth had acquired their portion of the rail line from CPR when they no longer had any use for it upon the closing of International Paper through the expenditure of State grant funds. He noted that although their budget was very tight, the Town was fairly confident that they could acquire the \$1 million necessary to upgrade the tracks to allow for 40 m.p.h. traffic.

Mr. Belden questioned if the rail upgrades were completely dependent upon the receipt of grant funding and Mr. Lemery replied affirmatively. He added that if the grant funding was not received there would be no sense in continuing with the joint RFP because the current speed limit was not sufficient to support passenger traffic.

Wayne LaMothe, Deputy Director of Planning & Community Development, entered the meeting at 10:20 a.m.

Mr. LaMothe apprised that the original study completed through the First Wilderness Heritage Corridor was funded by the Department of State in 1999 and included an in-depth economic analysis of the potential of the railroad corridor; however, he noted, it did not include the line to Saratoga Springs, although there was an assumption that there was a way to connect. Mr. LaMothe stated that the Planning Department had received grant monies that could potentially be used to fund an update to the financial impact portion of the study. He added that he could review the old documents and make judgements on potential impact based on the information and statistics provided.

Subsequent to further discussion on the matter, motion was made by Mr. Goodspeed, seconded by Mr. Merlino and carried unanimously to authorize the appointment of a working group to discuss matters relative to the development of a joint RFP between Warren County and the Town of Corinth for the 2011 Railroad Operator's Contract, including review of similar RFP's prepared by other Municipalities and review of the impact of the railroad on affected Towns, with the members of the group to be named by the Committee Chairman and the County Attorney. The necessary resolution was authorized for the February 20th Board meeting.

JoAnne Smith, resident and business owner from the Town of North Creek, addressed the Committee, advising them of an upcoming event scheduled for March 4, 2009 at Gore Mountain to celebrate the 75th anniversary of the ski trains that once came to North Creek. She noted that 75 years prior when the ski trains started they had made the Town of North Creek a tourist destination and she hoped that the revitalization of the rail line would bring new tourists to the area, as it had in the past. Ms. Smith stated that the accommodations, restaurants and shops, as well as the Gore Mountain Ski Resort, gave the Town the potential to become a considerable tourist attraction. Ms. Smith then apprised of a recent outing during which she and a friend had begun the day cross-country skiing along the picturesque Hudson River and had ended with shopping and dinner in, during which she and her companion had spent a considerable amount of money. She stated that she had not been aware that such a wonderful time could be had within her own town and she felt that this was another facet that could be advertised to potential tourists in an effort to draw them to the area.

Ms. Smith advised that Amtrak had developed a lovely book describing their tours and offering the use of a free Enterprise rental vehicle at each stop to further explore the area. She said that their brochure detailed area attractions not immediately accessible from the train station and she specifically noted a few attractions referenced in the Towns of Thurman and Tupper Lake. Ms. Smith stated that she was delighted by the idea of interfacing land and train transportation and noted that this might be a consideration for the railway in the future. She concluded that she remained hopeful that the ski trains would once again return to North Creek and she encouraged the Committee to move forward in bringing the railway back to its former glory, keeping in mind the amount of tourism it would bring with it.

As there was no further business to come before the Public Works Committee, on motion made by Mr. Goodspeed and seconded by Mr. Pitkin, Mr. Belden adjourned the meeting at 10:47 a.m.

Respectfully submitted,
Amanda Allen, Sr. Legislative Office Specialist